5. LEASE

UNITED STATES DEPARTMENT OF THE INTERIOR

DEPARTMENT OF THE INTERIOR	Contract 360
GEOLOGICAL SURVEY	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
	Jicarilla Tribe
SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a different	7. UNIT AGREEMENT NAME
reservoir, Use Form 9–331–C for such proposals.)	8. FARM OR LEASE NAME
1. oil gas ⊠ other	Bonanza
2. NAME OF OPERATOR	9. WELL NO. 2
J. Gregory Merrion & Robert L. Bayless	10. FIELD OR WILDCAT NAME
3. ADDRESS OF OPERATOR	Chacon Dakota
P. O. Box 507, Farmington, NM 87401	11. SEC., T., R., M., OR BLK. AND SURVEY OR
4. LCCATION OF WELL (REPORT LOCATION CLEARLY. See space 17	AREA
below.)	Section 1, T22N, R3W
AT SURFACE: 1850 FSL & 790 FWL AT TOP PROD. INTERVAL:	12. COUNTY OR PARISH 13. STATE Sandoval New Mexico
AT TOTAL DEPTH:	14. API NO.
16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE,	- 1.7.1.7.103.
REPORT, OR OTHER DATA	15. ELEVATIONS (SHOW DF, KDB, AND WD)
REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF:	7214 GL
TEST WATER SHUT-OFF	(NOTE: Report results of multiple completion or zone change on Form 9–330.)
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state including estimated date of starting any proposed work. If well is disparated and true vertical depths for all markers and zones pertinent. See attached report.	irectionally drilled give subsurface locations and
Subsurface Safety Valve: Manu. and Type	Set @ Ft.
18. I hereby certify that the foregoing is true and correct	
SIGNED TITLE CO-Owner	DATENovember 17, 1980
(This space for Federal or State offi	ce use)
APPROVED BY TITLE TOTALE	DATE

MERRION & BAYLESS BONAMZA #2 1850 FSL & 790 FWL Section 1, T22N, R3W Sandoval County, New Mexico Jicarilla Contract #360

DAILY REPORT

10-31-80	Moved in, rigged up Bayless Rig #5. Spudded 11" hole to 204 ft; set 190 ft.
	of 8-5/8", 28 lbs/ft., J-55 used surface casing $w/$ 175 sx Class B $w/$ 3%
	CACL ₂ cement.

- 11-01-80 Plug down @ 3:30 a.m. 11-1-80. Drilling out from under surface.
- 11-02-80 Making trip @ 1725 ft. for bit #3.
- 11-03-80 Drilling @ 3091 ft. w/ bit #4. Deviation of 1° @ 2755 ft. Baroid working on mud cleaner. Water loss 4.4; weight 8.9; vis. 39.
- 11-04-80 Drilling @ 3954 ft. w/ bit #4 (29 hrs.) Daily mud cost \$450; cumulative mud cost \$2250. Water loss 5.0; weight 9.0; vis. 36.
- 11-05-80 Drilling @ 4971 ft. Water loss 5.0; weight 9.1; vis. 36.
- 11-06-80 Drilling @ 5388 ft. w/ bit #5. Water loss 7.0; weight 9.2; vis. 34.
- 11-07-80 Drilling @ 5800 ft. Water loss 4.0; weight 9.2; viscosity 35.
- 11-08-80 Drilling @ 6270 ft. Water loss 5.0; weight 9.1; viscosity 35.
- 11-09-80 Drilling @ 6325 ft. after fishing cone.
- 11-10-80 Drilling @ 6685 ft. Water loss 5.0; weight 9.0; viscosity 35.
- 11-11-80 Drilling @ 7060 ft. (10 ft./hr.) Water loss 5.6; weight 9.2; viscosity 44.
- 11-12-80 Drilling @ 7210 ft. Conditioned hole for logs. Attempted to run induction log, stopped at 1400 ft. Now going in with drill pipe to knock out bridge.
- 11-13-80 T.D. @ 7210 ft. Failed to get past 1400 ft. on first log attempt. Ran drill pipe to 2700. Tried Induction log and went to 6560' and hit bridge. Ran drill pipe to bottom. Ran Birdwell Induction Electric log from their T.D. of 7200' to surface. Ran Gamma Ray Neutron and BHC Density 7200-6800, 6700-6600, 6150-5800, 4950-4200, 3700-3450, 2750-2600. Went in hole with drill pipe. Now laying down drill pipe. (JGM)
- Ran 4-1/2" casing as follows: 1 Baker guide shoe 11-14-80 0.55 1 - jt. 4-1/2, 11.6%, N-80 csg.32.25 1 - Baker differential collar 1.58 12 - jts. 4-1/2", 11.6#, N-80 csg. 389.89 57 - jts. 4-1/2", 10.5#, K-55 csg.1840.74 1 - Baker stage collar 1.58 154 - jts. 4-1/2", 10.5#, K-55 csg. 4950.59 7217.18

Set casing at 7209', float collar at 7175', stage collar at 4942'. Cemented 1st stage with 400 sx Class H cement w/ 2% gel; opened stage collar and cemented 2nd stage with 600 sx Class B cement w/ 2% D-79. Mixed at 12#/gal. (232 yield) followed by 50 sx Class H w/ 2% gel (total slurry volume 1453 cu. ft.) Plug down @ 9:30 pm. (JGM)